

WASHINGTON--On December 19, 2007, Congressman Joe Sestak voted for, and Congress passed, HR 4351, the AMT Relief Act of 2007. This bill will provide \$50 billion in alternative minimum tax relief (AMT) to 23 million families and expands the child tax credit to help 12 million children.

— The AMT was initially intended in 1968 to increase tax payments for the very rich that used tax loopholes to avoid federal taxes. The current AMT, not adjusted for inflation, has strayed far from those original goals. This tax will affect more than 23 million taxpayers in 2007 – people that should have been subject to the AMT.

"Last year, there were 16,500 taxpayers in my District with an AMT liability. Without this patch, there would be 93,100 taxpayers with a total of \$51 million tax liability. I cannot, and will not, allow hard-working and honest middle class taxpayers to be burdened with this tax liability that was never intended for them," said Congressman Sestak.

The AMT Relief Act protects 23 million middle-class families from being hit by the alternative minimum tax by extending for one year the AMT relief for nonrefundable personal credits, and increases the AMT exception amount to \$66,250 for joint filers and \$44,350 for individuals. Furthermore, it will expand the child tax credit, making more families eligible for the refundable child tax credit. Under current law, families making \$11,000 are eligible for the refundable child tax credit – this bill will ensure that families that make at least \$8500 are covered as well.

The AMT Relief Act has already been passed in the House under adherence to the pay-as-you-go budget doctrine, which the Senate took out. These omitted provisions closed tax loopholes for Wall Street offshore tax havens, cracked down on tax shelters, and delayed tax breaks for foreign investments. "The Senate acted poorly in excluding these provisions from the final bill. Today's vote unfortunately does not adhere to fiscal responsibility, but I will not allow 23 million taxpayers to suffer from an undue tax that was never intended for them," said Congressman Sestak. "While I am disappointed in the Senate for taking out revenue-raising offsets, I look forward to returning to this issue in April, and revising the tax structure so such a patch is not needed again."

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's

anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the U.S. Congress.